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BY FIRST-CLASS MAIL & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 5156– Residential Assistance Recovery Filing

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed five copies of the Company's responses to the First Set of Data Requests issued by the Public Utilities Commission in the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at 401-709-3359.

Very truly yours,



Steven J. Boyajian

Enclosures

cc: Leo Wold, Esq.
John Bell, Division

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

**Docket No. 5156 - National Grid – Residential Assistance Recovery Filing
Service List updated 5/12/2021**

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PUC 1-1

Request:

Referencing Schedule DEG-1 (Page 5 of 5), please explain why the number of accounts for Unsuccessful Accounts (Default & Cancelled) and Enrolled Accounts are increasing while the amount forgiven is decreasing compared to the prior year's Schedule ASC-1 (page 5 of 5) in Docket 5031.

Response:

In responding to this data request, the Company identified an error in the number of accounts reported in Schedule DEG-1, page 5.

	<u>As filed</u>	<u>Corrected</u>
<u>Unsuccessful Accounts (Default)</u>		
(1) Number of accounts not successful as of 12/31/2020	3,741	1,210
(2) Amount forgiven prior to defaulting	\$357,571	
<u>Unsuccessful Accounts (Cancelled)</u>		
(3) Number of accounts not successful as of 12/31/2020	493	161
(4) Amount forgiven prior to cancellation	\$47,744	
<u>Successful Accounts</u>		
(5) Number of accounts successfully completing the third year of the program	4,922	853
(6) Amount forgiven during 2020	\$493,702	
<u>Enrolled Accounts</u>		
(7) Number of accounts enrolled as of 12/31/2020	3,814	836
(8) Amount forgiven during 2020	\$356,284	

The amounts forgiven were reported correctly. With the corrected information, the default/cancelled accounts for 2020 total 1,371 accounts compared to 2,162 accounts in 2019. The reason for the decrease in defaults/cancellation was due to the PUC's March 17, 2020 Order on Commission's Own Motion in Docket No. 5022, which provided a third missed payment before having the AMP plan default, as opposed to only two missed payments. Since the number of defaults/cancellations has not increased from prior years that makes the amount forgiven comparable from year to year with respect to default/cancelled accounts.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5156
In Re: Residential Assistance Recovery 2021 Filing
Responses to the Commission's First Set of Data Requests
Issued on June 3, 2021

PUC 1-2

Request:

Does National Grid have an explanation for the significant increase in successful AMP accounts this year compared to previous years? If so, please provide data that supports the explanation if it exists.

Response:

Please see the response to PUC 1-1 for the correction of account data reported in Schedule DEG-1, page 5. Based on the corrected account data, the successful AMP accounts for 2020 total 853 accounts compared to 659 in 2019. The increase from 2019 is 194 accounts.

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PUC 1-3

Request:

What is the average beginning arrearage (at the time of enrollment) for each category of AMP accounts shown on page 5 of Schedule DEG-1.

Response:

The Company does not capture that level of data for each category. The Company does report the average amount to be forgiven for all participating customers by month, as shown for the table below for calendar year 2020.

Month	Average Amount to be Forgiven for all Participating Customers
January	\$1,050.47
February	\$1,058.97
March	\$1,054.96
April	\$1,050.48
May	\$1,042.52
June	\$1,050.11
July	\$1,041.72
August	\$1,052.95
September	\$1,065.06
October	\$1,071.90
November	\$1,081.87
December	\$1,085.35
Annual Average	\$1,058.86

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PUC 1-4

Request:

On page 8 of his testimony, Daniel Gallagher says National Grid “experienced \$4,593,632 less bad debt in CY 2020 than the adjusted allowable bad debt of \$13,431,976.” In docket 5031, the figure was \$1,116,925 more bad debt in CY 2019 than the adjusted allowable bad debt. Does National Grid have an explanation for the significant change in bad debt from last year to this year? If so, please provide data that supports the explanation if it exists.

Response:

The decrease in bad debt in 2020 is directly related to the moratorium on service terminations for non-payment that began toward the end of March 2020 due to the COVID-19 emergency. In the Company's billing system (Customer Service System, or CSS), write-offs typically occur 90 days after a termination of service. Because these service terminations for non-payment were stopped, net write-off decreased significantly in 2020.

PUC 1-5

Request:

On page 11 of his testimony, Daniel Gallagher says, with respect to working with DHS to auto-enroll customers in the A-60 rate, "the Company has not adjusted the estimate of the number of Rate A-60 customers and usage used in Schedule DEG-3 at this time."

- a. What is National Grid's expectation of the timing of auto-enrollment (e.g., when will it begin, when will it be operating at full scale, etc.).
- b. How many additional customers does National Grid expect the auto-enrollment will add to the A-60 rate, and what is National Grid's best estimate for when these customers will be added to the A-60 rate?
- c. Please provide a forecasted reconciliation that would be included in the next annual LIDRF filing if National Grid's best estimates of the timing and number of new A-60 customers enroll, as provided in responses to part a and b.

Response:

- a. The Company is currently in the final execution phase for the auto-enrollment process with DHS. The first auto-enrollment will be a full-scale process and is tentatively scheduled to begin by June 30, 2021. The process will repeat quarterly to ensure that newly eligible customers are transferred to Rate A-60.
- b. The Company estimates that approximately 7,700 customers will experience a rate change from Rate A-16 to Rate A-60 on approximately July 15, 2021 as a result of the first auto-enrollment. The process will repeat quarterly to ensure that newly eligible customers are transferred to Rate A-60. The first auto-enrollment process will likely have the largest impact on the number of customers transferred to Rate A-60.
- c. Please see Attachment PUC 1-5 for the calculation of the estimated incremental low-income discount associated with the aforementioned 7,700 Rate A-16 customers the Company estimates would transfer to Rate A-60 in July 2021. All else being equal (no change in rates assumed in the analysis, 7,700 customers actually transfer to Rate A-60 and there are no additional transfers, and the kWh usage estimated for the 7,700 is actually used by these customers), there would be an estimated under-recovery of approximately \$2.9 million inherently included in the low-income discount reconciliation in the next Residential Assistance Recovery Filing.

Narragansett Electric
Calculation of Estimated Incremental Low Income Discount associated with Auto-Enrollment of 7,700 customers on Rate A-60
For the Period of July 1, 2021 through June 30, 2022

	Illustrative Rate A-60 <u>Units</u> (a)	Rate A-60 <u>Rates</u> (b)	<u>Charges</u> (c)
(1) Customer Charge	92,400	\$6.00	\$554,400
(2) RE Growth Factor	92,400	\$2.16	\$199,584
(3) LIHEAP Enhancement Surcharge	92,400	\$0.80	\$73,920
(4) Distribution kWh Charge	49,803,600	\$0.04580	\$2,281,005
(5) ISR CapEx Factor	49,803,600	\$0.00544	\$270,932
(6) ISR CapEx Reconciliation Factor	49,803,600	\$0.00090	\$44,823
(7) ISR O&M Factor	49,803,600	\$0.00204	\$101,599
(8) ISR O&M Reconciliation Factor	49,803,600	\$0.00002	\$996
(9) Pension/PBOP Factor	49,803,600	(\$0.00073)	(\$36,357)
(10) Revenue Decoupling Mechanism Adjustment Factor	49,803,600	\$0.00118	\$58,768
(11) Storm Fund Replenishment Factor	49,803,600	\$0.00288	\$143,434
(12) Arrears Management Adjustment Factor	49,803,600	\$0.00006	\$2,988
(13) Low Income Discount Recovery Factor	49,803,600	\$0.00000	\$0
(14) Performance Incentive Factor	49,803,600	\$0.00005	<u>\$2,490</u>
(15) Subtotal Distribution Energy Charge			\$2,870,680
(16) Transmission Charge	49,803,600	\$0.03574	\$1,779,981
(17) Transition Charge	49,803,600	(\$0.00145)	(\$72,215)
(18) Energy Efficiency Program Charge	49,803,600	\$0.01143	\$569,255
(19) Renewable Energy Distribution Charge	49,803,600	\$0.01205	<u>\$600,133</u>
(20) Total Delivery Service Charges			\$6,575,737
(21) Winter Commodity Charge	23,654,400	\$0.10730	\$2,538,117
(22) Summer Commodity Charge	<u>26,149,200</u>	\$0.07628	<u>\$1,994,661</u>
(23) Total Commodity Charges	49,803,600		\$4,532,778
(24) Total			\$11,108,516
(25) Illustrative Incremental Low-Income Discount from Auto-Enrollment		25.8%	\$2,865,997

- (a) Based on 7,700 new A-60 customers beginning July 2021 having an average monthly use of 538 kWh
(b) All lines except (12) Per R.I.P.U.C. 2095, Effective April 1, 2021
(c) Column (a) x Column (b)
(12) R.I.P.U.C. 5156, Schedule DEG-1, Page 1 Line (5)
(13) A-60 customers are exempt from Low Income Discount Recovery Factor
(15) Sum of Lines (4) through (14)
(20) Sum of Lines (1) through (3) + Line (15) + Sum of Lines (16) through (19)
(21) R.I.P.U.C. Tariff 2096, Effective October 1, 2020
(22) R.I.P.U.C. Tariff 2096, Effective April 1, 2021
(23) Line (21) + Line (22)
(24) Line (20) + Line (23)
(25)(b) R.I.P.U.C. 5156, Schedule DEG-3, Page 2, Section 3, Line (37), Column (d)
(25)(c) Line (24) x Line (25)(b)